

# Gendered Inequalities in India: A Human Development Perspective

Paramjeet Chawla

Ph.D. Scholar, Tata Institute of Social Sciences (TISS) Mumbai  
E-mail: [Paramjeet.chawla15@gmail.com](mailto:Paramjeet.chawla15@gmail.com)

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**Abstract**—India is currently facing stark inequalities across the gender spaces, especially in terms of human development dimensions, going beyond the economic barriers that dominate the narrative of inequality. India currently stands at 130 in the Gender Development Index according to the Human Development Report.

*In India, the inequalities in the income dimension remain hidden due to the consideration of the economic status of the households, therefore a human development perspective brings to the fore the pertinent inequalities that prevail for women in India and highlighting the intra-household inequalities. Papers by Chaudry and Verick have also highlighted that the female labor force participation declined when the economic growth rates were high, wherein women's wages have also not caught up with men's wages since 1990s. Beyond the economic aspects, there are pertinent gender gaps in the level of well-being, wherein the National Family Health Survey 2015-16 highlights that 53.1 % of ever married women had anaemia compared to only 23.3 % of the men.*

*A human development perspective provides a holistic understanding of the deprivations and inequalities, wherein the notion of horizontal inequalities (Frances Stewart) helps quantifying the existing space of gendered inequalities. The paper will look at the human development dimensions across which women face not only absolute deprivation but continue to remain relatively deprived. The paper will create a framework for horizontal inequalities across gender and provides basic evidence on how women continue to face relative deprivation and thus generate horizontal inequalities in India. The paper will add to the literature on the gendered horizontal inequalities, taken from human development perspective..*

## 1. INTRODUCTION

In India, the narrative of inequality remains a pervasive and multi-faceted concern, wherein the global narrative remains centered on the income inequality. The income inequality has worsened, as per the Oxfam Report[1], wherein India's top 1 % is now owning 73% of the wealth. Even though the narrative of income inequality is worsening, there is also a stronger sustainability issue of horizontal inequalities embedded in gender and social identities, that are shaking the foundation of growth and development in India.

Martha Nussbaum states the need to go beyond the idea of simplistically looking at just the economic aspect, and more

importantly to go beyond the singular idea of income and understand the extent of human development. GDP might be a good proxy, representing the factors such as health, education, political liberty and race-relations, but in reality, it does not happen in a trickle-down fashion, since there is no robust correlation between economic growth and other human development factors, hence the need to analyse multiple indicators. [2]

Nussbaum, in her paper 'Poverty and human functioning – Capabilities as fundamental entitlements' also talks places the capability approach over and above the context of GDP and emphasizes on the note that quality of life is not reflected by growth but by the well-being of the people. The people of the nation should be able to enjoy the fruits of the improvement in a nation, for example Nussbaum takes the case of women to explain how women can have the ability to attain something that they want, but the concept of ability becomes flawed when the want of women is restricted by the notions of the society, leading to biased gender justice. [3]

India is currently struggling with socio-cultural factors that are intensifying the losses to human development as well. The essence of social exclusion that arises out of historical segregations and gender identities have also created an unequal society, wherein a holistic human development remains a utopian goal to be attained in the future. The 10<sup>th</sup> Goal in the Sustainable Development Goals (SDGs) as defined by the United Nations in 2015, highlights inequality as a global issue as well. [4]

This paper looks at the concept of human development and basic capabilities, implying that all individuals deserve to lead a life with a decent standard of living. The paper highlights the issues of gendered inequalities in India through the human development lens, and quantifies the same using the Theil Index, as explained under the umbrella concept of horizontal inequalities.

## 2. HUMAN DEVELOPMENT, CAPABILITIES AND GENDER

The scenario in India with reference to gender, remains tainted due to the traditional approaches, wherein women have been looked down across different dimensions varying from economic to social to political. The issues of horizontal inequalities in the gender context arise from the cultural settings in which women are relatively more deprived in the access and opportunity for human development achievements. Even though, Article 15 of the Constitution prohibits discrimination on the grounds of sex, there continues to remain variation in the attainment of human development outcomes. [5]

Human Development was initially defined as ‘the process of enlarging the range of people’s choice’, which then came to be defined as ‘Expansion of people’s freedom to live long, healthy and creative lives, to advance other goals they have reason to value; and to engage actively in shaping development equitably and sustainably on a shared planet as per UNDP. The concept of human development has evolved over a period of time, especially with a focus on social welfare, with a specific focus on not just what human beings do, but what they are. [6]

The Functionings refers to the ‘beings and doings’. Capabilities refers to a set of vectors of functioning’s reflecting the person’s freedom to lead one type of life or another, whereas functioning is an active realization of one or more capabilities. [7] Amartya Sen’s Capabilities approach is the most suitable to understand the complexity of the concept of inequality since capabilities best represent the achievements in progress of the human conditions, thus the capabilities should be utilized to assess the extent of human development, which goes beyond the individualistic list of capabilities of individuals to catch the group capabilities in the framework. [8]

Fundamentally, the capabilities approach adopts the means-ends approach, where it is important to understand what is it that has to be valued more. The capabilities approach considers the ‘capabilities’ as the ‘ends’ in itself, implying that it not only focuses on the final result but also on the ability of the individuals to be able to attain those results.[9] In terms of attainment of human development, the capability lens allows to analyze the aspects of income, health and education with depth. The capability will not only look at the number of children facing the problem of diarrhea, but also look at the ability of the individuals if they are able to access safe water and sanitation facilities, similarly, the capabilities approach will look at the accessibility of education rather than just the enrolment rates and the learning outcomes.

The goal of human development is not limited to increasing a person’s income level to pull them away from abject poverty, but the goal is also to provide an environment, provide access and process freedoms that enable a life with dignity and a

decent standard of living. [10] Since the identity attached with the gender shapes the opportunities of the individuals, it becomes important to understand and coherently measure the horizontal inequalities beyond the scope of income, taking a multidimensional approach.

The differences in human development outcomes for men and women exist not only due to the socio-cultural factors, but they depend on how the deeply entrenched thought processes have inherently depleted the women’s endowments and entitlements. This has further culminated into differentiated human development outcomes for men and women in India. The starting point for women and men has had an unequal foundation attached to it, which has not only led to a skewed sex ratio of 930 females per 1000 males, as per Census 2011, but also created gaps in human development achievements.

The next section discusses the issues of horizontal inequalities across human development dimensions in India, and how relative deprivation and inequality across groups become detrimental to well-being of the individuals as well as the society, thereby requiring robust measurements to generate evidence for policy processes.

## 3. HORIZONTAL INEQUALITY & GENDER

As per NSS 71st Round, the rural literacy rate for females is 56.8% as compared to 72.3% for males. For urban population, the literacy rate for females was 74.8 % as compared to 83.7 % for males. In the education domain, the issue grows more severe at higher levels, wherein, the number of females enrolled in higher education is 86 per 100 males, as per the data made available by Ministry of Human Resource Development. As per MOSPI Report ‘Women and Men in India’ 2018, the key reasons highlighted for women’s disengagement with education is their engagement in domestic activities, whereas the key reason for men is of financial constraints.

The lack of educational opportunity for women also culminate into severed economic outcomes, wherein the Census 2011 shows that the workforce participation rate for females is 25.51% against 53.26% for males. However, the rural sector has a better female workforce participation rate of 30.02% compared with 53.03% for males. The 68th NSS round also highlights how wage rates are 201.56 and 322.28 per day for females and males employees in rural areas, whereas for urban, the average wages are 366.15 and 469.87 for female and males respectively. [11]

The evidence above indicates that the inter-generational and intra-generational inequalities reduce the possibilities of equal opportunities for individuals in society, irrespective of their caste, class and gender. Frances Stewart has classified inequalities into vertical and horizontal inequalities. Wherein ‘Horizontal Inequalities (His)’ are inequalities among groups of people who share a common identity. Such inequalities have economic, social, political and cultural status dimensions. Horizontal inequality differs from vertical

inequality (VI) in that the latter is a measure of inequality among individuals or households, not groups- furthermore, measurement of VI is often confined to income or consumption’.

“HIs are inequalities among culturally determined groups, groups that have salience for their members and/or others in society; for example, among races, ethnic groups, religions, religious sects, regions, and so on. These groups are socially defined by members, or by others, often on the basis of common cultural characteristics and behavior, appearance, place of birth, and so on.” [13]

The aim is to highlight that these groups are not formed externally but formed internally within the society and have been passed on to the society and the individuals historically. The identities formed maybe be alterable or may be rigid under the norms of the society, individuals may have a strong attachment or multiple attachments. The issues, however, remains that these identities and how they are perceived in the society may have strong implications to the kind of capabilities and access freedoms that individuals in the groups will be able to enjoy, and thus affect the personal life-chances and well-being, and affect their chances of leading a life with a decent standard of living.

The economic wellbeing is also dependent on the kind of opportunities an individual gets from the society, which is inadvertently dependent on the gender they belong to. There is a strong tendency for the deprivation across capabilities to be passed on to the individuals due to the gender identity, therefore, creating space for an inter-generational analysis, wherein the gendered inequalities are compared over two generations to understand the capabilities and the variations in them, and what is the rate-of-catch up for the excluded groups.

These inequalities are widespread in nature, whether they are vertical or horizontal, and therefore have the capacity to create ‘traps’, wherein inequalities in one form of capability would accentuate inequalities in other parameters. For example, an inequality traps have the capacity prevent future generations of young girls and women from attaining education, restricting their probable participation in the labor market, and reducing their ability to make free, informed choices and undermining their ability to realize their potential as individuals.[12]

This necessitates a need to have robust measures for horizontal inequalities centered in a gender identity, which are explained in the next section.

#### 4. METHODOLOGY & DATA

In order to measure horizontal inequalities grounded in gender identities, it is important to understand the multiple measures of horizontal inequalities, as well as their properties. For the purpose of quantification of horizontal inequalities, it is of prime importance that the measure should have three basic desirable properties: independence of the distribution from the mean, Pigou-Dalton principle of transfers, and transfer

sensitivity. The other two requirements being, the measure should be descriptive more than evaluative so that the inequalities can be observed, and the measure should quantify the group inequality rather than understanding the contribution of that group to social welfare or to the society, as a whole. [14]

The most suitable measure therefore, becomes the ratio of one group to another, but the measure remains limited to two groups only. However, there remains a need for synthetic measure which incorporates all group inequalities in one reflective variable reflecting HI.

For the purpose of a robust measure, a few possible measures suggested in the literature are: Coefficient of variation, Group Gini, and the Group Theil. The Coefficient of Variation (COV) is the ratio of the variance to the mean, which is largely used to reflect the state of regional disparities, however it is not sensitive to the distribution of the income, where it gives more weightage to the extremes. A variation of COV, GCOV, gives weightage to the population. The GGINI is also a suitable measure for calculating horizontal inequalities, however, the groups are calculated as per the economic category (interest/ income), but HI requires calculation via religion/ethnicity/ social groups. GTheil is sensitive to the lower end of the distribution and is decomposable to capture the within and across group inequalities.

$$GTHEIL = \sum_r \frac{p_r \bar{y}_r}{\bar{y}} \log \left( \frac{\bar{y}_r}{\bar{y}} \right)$$

Where,  $\bar{y}_r = \frac{1}{n_r} \sum_i^{n_r} y_{ir}$  is group  $r$  mean value,  $n_r$  is group  $r$ 's population size,  $p_r$  is the group  $r$ 's population share;  $y_{ir}$  is the quantity of the variable of interest (e.g.: income or years of education) of the  $i$ th member of the group  $r$ , and  $\bar{y}$  is the grand total value of the variable  $y$  in the sample. [14]

The paper uses the Theil's T index to calculate horizontal inequalities between men and women across human development dimensions in India. Theil Index is an arbitrary formula, and the average of the logarithms of the reciprocals of income shares weighted by income is not a measure that is exactly overflowing with intuitive sense. [17]. For the same, STATA commands have been used for calculation of Theil T Index. [15]

The indicators selected to understand the horizontal inequalities are mentioned in the table below. The indicators are chosen across the three vital dimensions of human development i.e. economic dimension, education and lastly, health and well-being. The three key dimensions are not only stated in the human development framework as defined in the Human Development Reports[4], but also falls directly into the horizontal inequality framework as defined by Frances Stewart [14].

**Table 1: Means of Human Development Dimensions**

Dimension	Indicator
Economic	Annual Earnings (Individual above 15 years of age)
Education	Completed Years of Education of individuals above 15 years of age
Health & Well-being	Proportion of Expenditure on major morbidities over annual earnings

It is important to note that all the indicators taken are continuous variables due to limitations of the formula being used. For the purpose of categorical or binary variable, a different measure of horizontal inequality can be utilized, which can be a matter for a later stage. The indicators have been taken from India Human Development Survey 2011-12.

To capture the coherence across all indicators within the human development framework, a principal component analysis (PCA) has been carried out. The PCA has been done to identify any existing structure within a set of variables. The eigenvalues are closer to 1 for the first two components, and close to 0.55 for the component 3. Therefore, as per the Kaiser Criterion, the analysis can utilize all the three components to reflect horizontal inequalities within a human development framework. The Kaiser–Meyer–Olkin test shows a value of only 0.5, implying less than mediocre sampling adequacy. However, due to the restrictive use of indicators (taken only continuous variables), such results have to be accepted.

Using the methodology of horizontal inequalities as stated, and identifying the indicators of human development, the next section explains the evidence generated of gendered inequalities in India.

**5. EVIDENCE OF HORIZONTAL INEQUALITY: GENDERED**

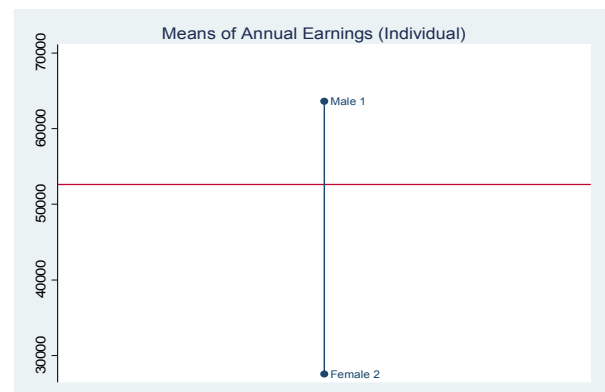
From the table below, it can be seen that the human development levels of men and women vary greatly, implying that the systemic and historical approach to women has eroded the well-being of women in India. Even with the a changing narrative of feminism across the globe, the human development achievements reflect a deeper concern.

**Table 2. Means of Human Development Dimensions**

Indicator	Women	Men
Annual Earnings (Individual) (INR)	27602	63605
Completed Years of Education	4	6
Proportion of Expenditure on major morbidities over annual earnings	0.175	0.08
Expenditure on Major Morbidities (INR)	1244	1373

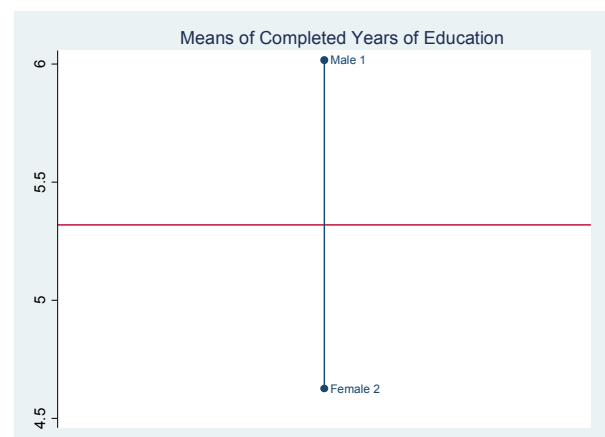
The economic capabilities of women remain half of that of men, wherein the average annual earnings of women in India are INR 27,602, the same for men is INR 63,605, given the annual earnings have been taken for individuals who are 15 years of age or above. Figure 1 shows that the overall gap in

annual earnings remains wide. As per ILO estimates based on NSSO data, the total number of women employed in India remains half of that of total men employed in 2011-12. Even the Gender Wage Ratio remains limited to 0.66 in 2011-12, however, it has improved since 1993-94.[16] The narrative on economic opportunities highlights that the stark gap in annual earnings as per IHDS data, is also backed by evidence from other source. All the evidences highlight that women not only have less actualization of economic opportunities, in terms of employment, but even when employed, they face a stark gender-based pay gap, which further broadens the horizontal inequality.



**Figure 1: Mean of annual earnings (individual)**

Similarly, when education is taken, it is seen that the average number of completed years of education for women and men is 6 years and 4 years, given individuals above the age of 25 years are considered. The stark gap is visible in the figure 2. The male-female literacy gap continues to remain at 16% in 2011, implying that even the basic level of reading and writing remains a challenge for women across India. The lack of access and opportunities for women has culminated into a 2-year education completion. Even with universal education policies and Right to Education which have been implemented recently, the 2-year gap remains a large distance to cover.

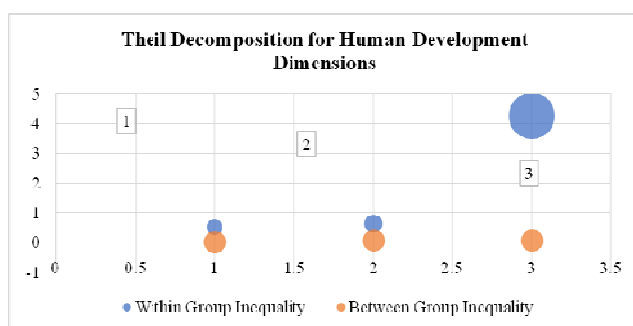


**Figure 2: Means of completed years of education**

With reference to the health and well-being, the proportion of expenditure on major morbidities has been considered in the case of women and men. As per the figure, women are spending a higher proportion of their earnings on concerns of major morbidities as compared to men. When compared in terms of their absolute values, there is only a mere difference of INR 1000 in terms of the total absolute cost incurred for major morbidities. Given the incidences of non-communicable diseases and diseases of plenty daunting the developing nation, it is important to note that 1 in 10 ever married women (15-49 years of age) are hypertensive, compared to 1 in 7 men. On the other hand, even though the incidence of cancer amongst men is higher than women, the death rate due to cancer for women remains higher than that of men. This highlights that there are pertinent access and opportunities concerns in ensuring that women are able to achieve an equal level of well-being.

In order to create a robust measure to indicate the horizontal inequalities, Theil's decomposition has been carried out across the human development dimensions for gender identities. The figure below highlights that the horizontal inequality is high across the three indicators, with the highest seen in the proportion of expenditure on major morbidities. As explained above, women are already spending a higher proportion on major morbidities even when the incidences of non-communicable diseases is not varied between men and women, and earnings remain biased for men.

The Theil decomposition for annual earnings explains that even though men are 70 % of the sample taken in IHDS, they are earning 84% of the total earnings as opposed to women who earn 16% of the total earnings. Similarly, the Theil decomposition for completed years of education explains that even though men are 50 % of the sample taken in IHDS, men have 56% of the total completed years of education as opposed to women who have 43% of the total years of education. The Theil Index has also highlighted that it is not just between group inequality, but within group inequality that also continues to create barriers to human development.



**Figure 3: Theil Decomposition for Human Development Indicators**

## 6. CONCLUSIONS

In its true essence, horizontal inequality from a gender perspective has existed historically, and now with the wave of feminism, slowly the cultural shift is taking place. However, the transitions are slow and the depth of the impact of horizontal inequality between men and women remain daunting in India and continue to get reflected in the poor human development outcomes for women. The quantification of horizontal inequality provides support to the relative deprivations that prevail in India.

The paper creates evidence for horizontal inequality in a gender perspective across human development dimensions and highlights the need for a focused and targeted approach to enhance the opportunities and access for women. Women have had differing endowments and entitlements, relative to women, so the sensible path is to create equity and justice via upliftment of women's state of human development. Women deserve to lead a life with dignity, and therefore egalitarianism necessitates a targeted approach for women across human development dimensions.

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